

SAVING SOCIAL SECURITY

The SPEAKER pro tempore. Pursuant to the order of the House of January 7, 2003, the gentleman from Michigan (Mr. SMITH) is recognized during morning hour debates for 5 minutes.

Mr. SMITH of Michigan. Mr. Speaker, I am going to talk for 5 minutes on the challenge that faces this Congress and America in terms of the growing debt and the growing unfunded liabilities. "Unfunded liabilities" means the promises that government has made, but it needs money to come from someplace to keep the promises we have made, and Social Security is one of those promises.

We started Social Security in 1934, and Congress in effect said that instead of people going over the hill to the poorhouse, like they did after the Great Depression money should be saved for retirement, Franklin Delano Roosevelt said let us have a program where we have forced savings during your working years, and that will give you more security, "social security," in your retirement years.

So we started the program in 1935, and it was based on current workers paying in their taxes to pay for benefits for current retirees, sort of a pay-as-you-go program. I like the cartoon where Uncle Sam was explaining this to a young worker how Social Security worked, and said, "Well, now, here is a list of names. You put your name on the bottom of the list. You pay everybody on the top of the list, and eventually your name will be on the top of the list and everybody below you will be sending you a check in your retirement."

It is a pay-as-you-go program, sort of like a chain letter. But the problem is, there are fewer and fewer names under that top name on the list as we are looking at a declining birth rate and a longer lifespan.

The number of people working, for example, in 1940 was 47 people working, paying in their Social Security tax, for every one retiree. Today we are down to three people working paying in their Social Security tax for every one retiree.

So what we have done of course, is over the years every time we hit a problem of not having enough money, we do one of two things, or sometimes both. We either reduce benefits or increase taxes or a combination. That is what we did in 1983. We reduced benefits and increased taxes, so temporarily we have a little surplus coming in for Social Security.

This chart shows what I think should be everybody's goal as we look at saving Social Security. Number one, continue to provide retirement security for the elderly; number two, give young people an opportunity to improve their retirement prospects; number three, benefit the economy instead of burdening it. That is what my bill does.

It seems like every Member of Congress, the House, the Senate and White House, should be willing to agree to

this kind of a change, because what we are heading for is insolvency of Social Security. In fact, in 4 years that part of Social Security, the trust fund that pays disability benefits, if you get hurt on the job, is going to be broke. There is not enough money coming in. Just 4 years. In 12 years, we are going to not have insufficient money coming in from the payroll tax to pay promised retirement benefits.

Now, people give complicated explanations of what we might do to save the program, but really there is, again, one of two choices, or a combination. You either increase the money coming in, or you decrease the money going out, or a combination.

That is what I am doing in my Social Security bill that I just introduced. It reduces the money going out, number one, by changing wage inflation for calculating future retiree benefits to a CPI, normal inflation. It slows down the increase in benefits for high-income retirees. For income, instead of the average 2.7 percent return that the average retiree is going to get on Social Security, we increased that to a minimum of 3.7 percent.

I think probably the challenge that we have ahead of us is somehow convincing Americans that there is a real problem. It is a problem that is demagogued over the years. We have got to deal with it. We have to stand up to the issue. I am disappointed that there are only 26 Members of the House and Senate that have ever signed on to a Social Security bill that keeps Social Security solvent. It is an important program.

We have almost 80 percent of our retirees today that depend on Social Security for a majority of their retirement income. It is something that we cannot afford to let go broke.

Look, we are digging some deep holes for ourselves in terms of overspending every year. We are overspending this year \$540 billion. It is going to be over \$700 deficit spending next year. You add that on to approximately \$11 trillion of unfunded liability for Social Security and the other promises that we have made to veterans, the other promises we have made to civil servants and people working for government, and you must agree it is time Congress stood up to the issue. It is time, Mr. Speaker, that everybody looking at a congressional candidate this next election asks them how they are going to save Social Security.

SUPPORT OUR TROOPS: \$1,500 BONUS BILL

The SPEAKER pro tempore. Pursuant to the order of the House of January 7, 2003, the gentleman from Michigan (Mr. STUPAK) is recognized during morning hour debates for 5 minutes.

Mr. STUPAK. Mr. Speaker, this week the other body takes up the President's request for \$87 billion in supplemental aid for Iraq and Afghanistan. The supplemental appropriation should do

more to support our troops who have been deployed in Iraq and Afghanistan. Specifically, to support our troops and their families who are under increasing duress, Congress should grant a \$1,500 bonus to all those who serve in Iraq and Afghanistan. Not since Vietnam have such a large number of troops received such long deployments. This puts tremendous pressure on our troops and their families.

This summer, the Department of Defense upped deployments for troops serving under Operation Iraqi Freedom and Operation Enduring Freedom to one year, and not until last week did the Department of Defense offer these troops, largely living under very primitive, highly stressful conditions, a 2-week leave.

Tragically, this month, our U.S. casualties in Iraq surpassed the number of those killed in the first Gulf War, Desert Storm. We have lost more than 308 people in Iraq.

Recognizing the increasing gravity of U.S. military involvement along, my legislation, H.R. 3051, qualifies all active duty military personnel deployed for any length of time under Operation Iraqi Freedom or Operation Enduring Freedom for a \$1,500 bonus. This bonus should be made part of the supplemental appropriations for Iraq.

Although as Members of Congress we may have different ideas about U.S. policy in Iraq, we can all agree that our servicemen and women deserve our sincere commendation for their courageous efforts. \$1,500 will not only help boost morale but will send a strong bipartisan message to our troops that Congress is unified behind them.

The present administration wants to talk about its proposed \$21 billion in direct grants to support infrastructure development in Iraq. In this \$87 billion supplemental appropriation, there is another part, \$66 billion for military operations. I see no reason why these two parts, the \$21 billion and the \$61 billion, cannot be separated out and why we cannot require the use of Iraqi oil to be used as collateral for international loans to at least pay for the \$21 billion for the infrastructure improvements in Iraq and ensure the reconstruction contracts are competitively bid to all companies internationally.

We should also consider using Iraqi oil reserves to pay down Iraq's \$200 billion international debt. Either way, American citizens should not be expected to support Iraqi development, while many Americans here at home face shortfalls in funding for health care needs, prescription drugs, school construction and critical infrastructure needs we find throughout this country.

Congress must continue to work to restore Iraq to a stable and self-governing state but not at the expense of the American people here at home and our troops abroad.

I also question several items contained in the administration's supplemental appropriation for Iraq, like \$4